


No Place Like Home Program (NPLH)

Competitive Allocation NOFA and Application Workshop



California Department of Housing and Community Development
Governor Gavin Newsom
State of California

Doug McCauley, Director
Department of Housing and Community Development



Welcome Introductions and Agenda


Meet our HCD NPLH Staff

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Laura Bateman Hot Topics





Hot Topics at HCD

- ✓ HCD Process Improvements
- ✓ Use of Other HCD Funding Sources
- ✓ Subrogation of HCD Funds (swapping)
- ✓ Hybrid Projects






HCD Process Improvements

- 1) Standard Agreements
 - Organizational Documents
 - Resolutions
- 2) Relocation Reviews Process
- 3) Article XXXIV Review Process





HCD Process Improvements

- 1) Standard Agreements
 - Past Practice & Process Issues:
 - Timing
 - Delays to Construction Closing
 - Inconsistency Across Programs
 - Confusion in Communications
 - Frustration
 - Multiple Amendments
 - Fi\$cal



HCD Process Improvements

1) Standard Agreements

- Goals:
 - Pending Contracts out within 90 days of Award
 - “Standard” Agreements (SA) across programs
 - Execute the SA ONCE
 - All entities included
 - Payees Named
 - Minimize/Eliminate need for amendments
 - Budget Changes
 - Performance Milestones
 - Clean handoff from NOFA to Loan Closing

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HCD Process Improvements

1) Standard Agreements

- Process:
 - Organizational Documents with application
 - Borrower
 - Managing General Partner (MGP)
 - Sponsor
 - Reviewed during feasibility
 - Post-Award Corrections
 - Final Project Reports
 - Sponsor Engagement (Awardees)

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HCD Process Improvements

1) Standard Agreements

- Organizational Documents
 - Sponsor (Threshold Requirement)
 - Borrower
 - Partnership Agreement (formation)
 - MGP/LLC
 - Administrative General Partner (AGP) if signatory on SA/Loan documents
 - Other entities included in Borrower structure

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HCD Process Improvements

1) Standard Agreements

- Authorizing Resolutions (Common Mistakes)
 - Applicant Name & Org. Type
 - Matches Org. Docs. exactly
 - Matches STD 204 and/or TIN exactly
 - TIN is for the correct Department or Subdivision
 - Authorized Representative
 - Name & Title (corporate entities)
 - Title (public entities)
 - Designee Letter
 - Matches signature block exactly
 - And/Or

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HCD Process Improvements

1) Standard Agreements

- Authorizing Resolutions (Common Mistakes)
 - Vote Count
 - Not filled in completely
 - Not consistent with corp. by-laws
 - Signatory on Resolution
 - Must be different from Authorized Representative

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HCD Process Improvements

2) Relocation & No-Relocation Reviews

- Staff Review
 - Vacant Land Only
 - No-Relocation Certification to be executed prior to Award
- Legal Review Required
 - No relocation other than vacant land
 - Evidence conflicting with “vacant land” assertion
 - Relocation required and plan submitted

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HCD Process Improvements

3) Article XXXIV Reviews

- Staff Review
 - Identify errors & omissions
 - Consult with legal counsel
 - Make corrections via Project Reports
- Legal Review Required
 - Less restrictive approach
 - Revised Opinions not required
 - Issues resolved prior to award

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Use of Other HCD Funding Sources

- 1) Article XXXIV
- 2) Stacking Prohibition(s)
- 3) Integration



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Use of Other HCD Funding Sources

1) Article XXXIV

- Limits the number of “low-income” units assisted with public funds
- “Public funds” include City, County and State funds
- Authority is granted by voters within the jurisdiction
- A jurisdiction either has authority, or it doesn’t
- If it doesn’t, the project must fall within an exception
 - Rehabilitation or Replacement of low-income units
 - No more than 49% of total units will be assisted w/public funds
 - VHHP exception
 - Public lender not a developer of affordable housing

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Use of Other HCD Funding Sources

1) Article XXXIV (Documentation)

- Jurisdiction has authority
 - Allocation letter from jurisdiction
- Must include name of ballot measure, date passed, total authority granted, balance prior to proposed project, authority allocated to proposed project and remaining balance
- Jurisdiction does not have authority
 - Legal Opinion

Must include analysis of Article XXXIV and exceptions which are applicable to all public funds. If 49% rule, all public funds will assist the same 49% of units.

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Use of Other HCD Funding Sources

2) Stacking Prohibition(s)

- NPLH Guidelines Article II, Section 200(e) states:
“Use of multiple Department Funding Sources on the same Assisted Units (subsidy stacking) is prohibited”.
- The same prohibition currently applies to all HCD multifamily development loan programs

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Use of Other HCD Funding Sources

3) Integration

- NPLH Guidelines Section 202(e)(2) states:
“In projects greater than 20 units, the Department will fund no more than 49 percent of the Project’s total units as NPLH assisted units”.
- MHP
- Integration requirements are only applicable to units assisted with Department Sources

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Use of Other HCD Funding Sources

Article XXXIV, Stacking & Integration (Takeaways)

- Putting it all together can be complicated
- The more HCD sources, the more complicated it can get
- Understand the rules
- Check the requirements of each HCD source
- The proposed structure may effect loan limits
- We can help!

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Subrogation of HCD Sources (swapping)

(Previous HCD Awards)

- Swapping Prior Award for NPLH
 - Prohibited unless prior award/Standard Agreement is declined/disencumbered
 - Request must be made in writing
 - Prior to NPLH application deadline



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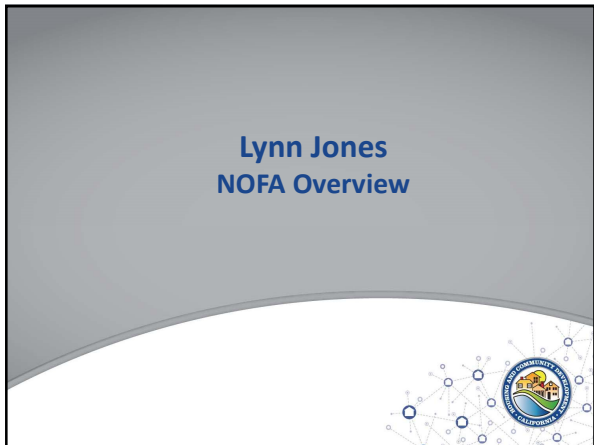
Hybrid Projects

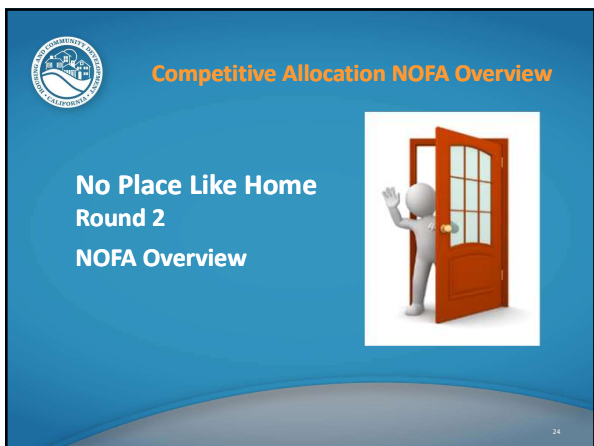
- Components will be reviewed, ranked and awarded as individual projects on their own merit. No special consideration is given.
- 4% hybrid components will be evaluated the same as 9% projects in Readiness scoring
- Applicants should contact TCAC for advice on structuring hybrid projects




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NPLH NOFA Overview

- What is the No Place Like Home Program?
- Approximately **\$178 million** in Round 2 Competitive NOFA release

NOFA Issued	September 27, 2019
Application due date	January 8, 2020 by 5:00pm PST
Internal Loan Committee (ILC)	June 2020
Anticipated Awards Announced	June 2020

Note: Deadline to submit Noncompetitive Applications is February 15, 2021




NPLH NOFA Overview

What's New in Round 2

- Environmental Reports
- Supportive Service Plan included in Application
- New Loan Limits
- Dev Fee / High Cost Test Worksheet in UA
- Application Support
- Self-Certifications





What's New

Additional Information is available at:
<http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml#guidelines>

- Explanation of Round 2 Amendments
- Responses to Round 2 Guideline Amendment Public Comments

Program Guidelines

- New!** Round 2 No Place Like Home Program Guidelines (PDF)
- New!** Round 2 Guideline Amendments in Tracked Changes (PDF)
- New!** Explanation of Round 2 Amendments (PDF)
- New!** Responses to Round 2 Guideline Amendment Public Comments (PDF)

Application Highlights

Universal Application

High Cost Test & Developer Fee Calculator

[illegible]

Application Highlights
Supplemental Application

appsupport@hcd.ca.gov

Application Development Team (ADT) Support Form

Please complete the "yellow" cells in the form below and email a copy to: AppSupport@hcd.ca.gov. A member of the Application Development Team will respond to your request within ASAP.

Full Name:	Date Requested:	Application Version Date:						
Organization:	Email:	Contact Phone:						
Justification:								
Issue #	Program Name &	Tab	Section	Cell#	Update/Comment	Urgency	ADT Status	Status Date
1						High		
2								
3								
4								

Application Highlights
Supplemental Application

Uses and Terms §200

- (b) Applicant acknowledges NPLFI funds shall be used to finance capital costs of Assisted Units in Rental Housing Developments, including but not limited to, costs associated with the acquisition, design, construction, rehabilitation, or preservation of Assisted Units consistent with the eligible costs set forth under 25 CFR §7304(p) except that NPLFI funds cannot be used to capitalize reserves other than as set forth in subsection (b).
- (c) Applicant acknowledges NPLFI funds may be used to fund a COSR for Assisted Units pursuant to the requirements of §209. For loans underwritten by the Department, NPLFI funds may also be used to fund a COSR required under 25 CFR §6308.
- (d) Applicant acknowledges that the total amount of Program funds awarded shall not exceed the eligible costs associated with Assisted Units. In determining these costs, the following items in 25 CFR §7304(c) shall apply, but the term "Eligible Units" in such section shall be deemed to refer to "Assisted Units."
- (e) Applicant acknowledges that the stacking of multiple the Department Development Funding Sources on an NPLFI Assisted Unit is not allowed except as provided in §202(e).

Eligible Use of Funds §202(b)

- Does the Application request funds for the eligible costs set forth in §200 as listed on the UJA Project Development Budget?
- Does Project have a minimum of 5 units and serve persons qualifying as members of the Target Population?
- Does Project involve new construction and demolition of existing residential structures?
- If yes, does the number of bedrooms in the new Project at least equal the number of bedrooms in the demolished structures? (see "UJA Sites & Units" worksheet)
- Is Applicant requesting exceptions to the one-to-one replacement requirement in accordance with §202(f) If yes, please explain why.









Supportive Services Review

Program Highlights

- The Supportive Services Plan is now included in the application
- New form on application for Lead Service Provider Experience with Evidence Based Practices (LSP Exp. with EBP)
- Cost escalator is now 3.5% (inflation)
- There are 3 tab dedicated to Supportive Services in the Supplementary Application (Supportive Services Plan, SS Verification and the LSP Exp. with EBP tabs)

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Supportive Services Review

Supportive Services Plan (SSP)

- Part I. Tenant Selection Criteria
- Part II. Lead Service Provider
- Part III. Supportive Services Detail
- Part IV. Tenant Safety and Engagement
- Part V. Staffing
- Part VI. Supportive Services Budget
- Part VII. Collaboration and Reporting



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Supportive Services Review

Part I. Tenant Selection Criteria

- Target Tenant Population
- Market/Outreach
- Housing First Characteristics

Part I. Tenant Selection Narrative

This section asks for a detailed description of the tenant selection process. Using the titled sections below, the narrative should be as specific as possible, delineating the roles of property management and the Lead Service Provider and how these functions will be coordinated. Your description should clearly and conclusively document processes to ensure NPHLH tenant households occupy NPHLH Assisted Units following tenant selection and Housing First Practices.

Section 1: Tenant Selection Criteria

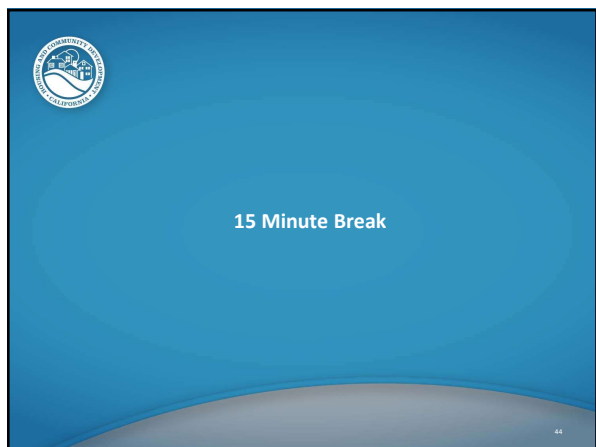
a. Target Tenant Population and Eligibility Criteria

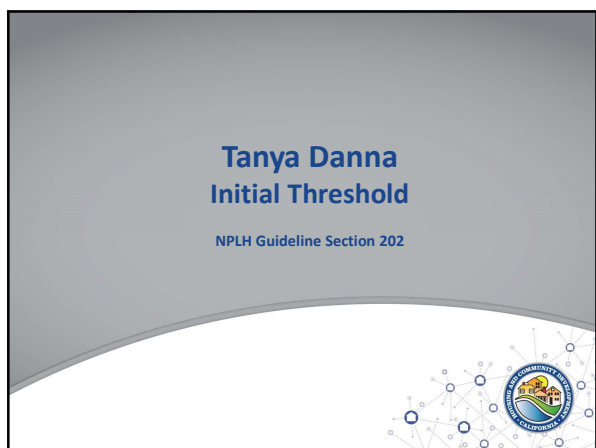
a. Do you use Housing First Practices?

b. Describe the criteria that will be used to ensure that tenants are eligible to occupy the NPHLH Assisted Units.

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Competitive Allocation Application Review

- ✓ Initial Threshold
- ✓ Rating & Ranking
- ✓ Project Feasibility



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Initial Threshold Review

Initial Threshold Review

- Applications will be evaluated based solely upon the materials contained within the application
- Will review for **completeness** and **compliance** with Guidelines

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Initial Threshold Review

Minimum Requirements:

- 1) Eligible applicant(s)
- 2) Eligible use of funds
- 3) Experience of the Project team
- 4) Site control
- 5) Project Integration
- 6) Compliance with Article XXXIV
- 7) Application Completeness



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Initial Threshold Review

1) Eligible Applicant(s) - must be a County

- Single County **independently** as the Development Sponsor
- Single County **jointly** with another entity as the Development Sponsor
- Two or more counties **jointly** if:
 - There is a commitment to collaborate and coordinate supportive services and other resources
 - NPLH tenants from each of the Counties are expected to reside in the Project

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Initial Threshold Review

Applicant is applying jointly with another entity as the Development Sponsor?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
County Applicant: Fresno County		
Legal Name of Applicant as stated on resolution: Housing Authority for the City of Fresno, CA		
Address	City	State
County	Zip	
Auth Rep Name	Multi-View Email	Phone
Contact Name	Email	Phone
Address	City	State
County	Zip	
File Name: App Cert & Legal	Reference Certification & Legal worksheet	Attached and on USB?
File Name: App Comp Resolution	Reference NPLH webpage for Competitive Resolution document	Attached and on USB?
File Name: App Noncomp Resp	NPLH Noncompetitive Resolution (if applicable)	Attached and on USB?
File Name: App Noncomp Allocation	Applicant Noncompetitive Allocation (if applicable)	Attached and on USB?
File Name: App Signature Block	Signature Block - upload in Microsoft Word document	Attached and on USB?
File Name: App TIN	Reference Taxpayer Identification Number (TIN) documents on the NPLH webpage	Attached and on USB?
Development Sponsor:	Documentation of commitment from both Counties to collaborate on services and an expectation for NPLH tenants	Attached and on USB?
Address	City	State
County	Zip	
Auth Rep Name	Multi-View Email	Phone
Contact Name	Email	Phone
Address	City	State
County	Zip	


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Initial Threshold Review

Project Name:	County:	County Population:													
Project Address:	Fresno	Less than 200,000													
Project City:	County	Greater or equal to 200,000													
Applicant is a single County acting as the Development Sponsor?															
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No															
Applicant is a County applying jointly with another County?															
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No															
If yes, is there a commitment from both Counties to collaborate on services and an expectation for NPLH tenants from each county to reside in the Project?															
N/A															
File Name: Joint County Commitment															
Documentation of commitment from both Counties to collaborate on services and an expectation for NPLH tenants															
Attached and on USB?															
N/A															
Applicant is applying jointly with another entity as the Development Sponsor?															
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No															
Maximum NPLH Capital/Low Amount Chart - click here for 2019 NPLH loan limits - Beginning on page 106															
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Efficiency Units	1 Bedroom Units	2 Bedroom Units	3 Bedroom Units	4 Bedroom Units	5 Bedroom Units	6 Bedroom Units	7 Bedroom Units	8 Bedroom Units	9 Bedroom Units	10 Bedroom Units	11 Bedroom Units	12 Bedroom Units	13 Bedroom Units	14 Bedroom Units	15 Bedroom Units
30%	\$224,120	\$0	\$227,577	\$0	\$6,827,316	\$238,090	\$0	\$247,888	\$0	\$256,944	\$0	\$266,000	\$0	\$275,056	\$0
25%	\$232,331	\$0	\$236,224	\$0	\$248,608	\$0	\$258,088	\$0	\$268,000	\$0	\$278,000	\$0	\$288,000	\$0	\$298,000
20%	\$240,361	\$0	\$244,607	\$0	\$259,124	\$0	\$272,088	\$0	\$285,056	\$0	\$298,024	\$0	\$311,000	\$0	\$324,000
15%	\$248,608	\$0	\$253,794	\$0	\$269,638	\$0	\$284,332	\$0	\$299,024	\$0	\$314,000	\$0	\$329,000	\$0	\$344,000
Efficiency	0	\$0	1 Bdrm	30	\$6,827,316	2 Bdrm	0	\$0	3 Bdrm	0	\$0	4+ Bdrm	0	\$0	\$0

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Initial Threshold Review

2) Eligible Uses of Funds

- Acquisition, construction, rehabilitation or preservation
- Rental Housing Development with a minimum of five units
- Serves Target Population
- Capitalized Operating Subsidy Reserve (COSR)
- Stacking Prohibition
- Replacement of same number of demolished bedrooms, if applicable

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Initial Threshold Review

3) Experience of Project Team

A. Applicant or Development Sponsor must have:

- At least one example of Permanent Supportive Housing or two examples of affordable rental housing,
- Serving the target population, and
- Completed or last date owned/operated within the last 10 years.



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Initial Threshold Review

3) Experience of Project Team

B. Lead Service Provider (which may be the County) must have:

- Minimum 3 years serving the Target Population
 - If service provider experience is not in Permanent Supportive Housing (PSH), it must be related to addressing barriers to housing stability/housing retention

C. Property Manager must have:

- Minimum 3 years serving the Target Population

Note: In Counties with a population less than 200,000, the experience may be met by serving Special Needs Populations similar to the Target Population

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Initial Threshold Review

4) Site Control

- Must be in the Sponsor's name or an entity controlled by the sponsor
- Must extend past the anticipated award date
 - Ownership interest may be demonstrated by:
 - fee title
 - a leasehold interest
 - an enforceable option to purchase
 - a disposition and development agreement
 - exclusive rights to negotiate for acquisition
 - a land sales contract

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Initial Threshold Review

5) Project Integration

- In projects greater than 20 units, HCD will fund no more than **49%** of project units as NPLH units.
- All projects must also:
 - Integrate NPLH units/tenants with other Project units/tenants
 - Encourage social interaction through community building activities and architectural design features
 - Have no restrictions on guests different from that of unsubsidized rental housing in the community

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Initial Threshold Review

6) Article XXXIV

- Article XXXIV Legal Opinion Letter
- Jurisdiction Letter regarding Allocation of Authority




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Initial Threshold Review

7) Application Completeness

- Market Study (New to Threshold)**
 - Required for projects with units that will not be assisted by NPLF
 - Dated within 12 months of application date.
- Appraisal (New to Threshold)**
 - Required if land cost or value of land/lease donation are included in the development budget
 - Supports acquisition value
- Preliminary Title Report**
 - Dated within 30 days of the Application



Initial Threshold Review

7) Application Completeness

- Environmental Reports**
 - Dated within 12 months
 - Remediation costs must be reasonable & included in the budget
 - For **New Construction**: a Phase I report, and if needed, a Phase II Report is required
 - For **Rehabilitation/Demolition**: a mold report is required, and for structures built prior to 1978, lead-based paint and asbestos reports are required



Initial Threshold Review

7) Application Completeness

- Organizational Documents**
 - Applicant County
 - Sponsor
 - Ultimate Borrower, if available
- Resolutions**
- Payee Data**
 - All public entities require a TIN
 - All non-public entities require a STD





Initial Threshold Review

7) Application Completeness

- Organizing & Submitting the Application
 - Three-ring binder with sleeve on the side
 - Set up dividers with large lettered tabs to correspond to the Checklist
 - For items that are not applicable to your application, place a sheet of paper behind the tab stating the item is "Not Applicable"

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Initial Threshold Review

Checklist

Rev. 9/26/19

The Checklist below is intended to be used after the Applicant completes the NPLH Supplemental Application. If a header indicates that an area is "Not Applicable", Applicant does not need to provide the requested documents.

Packaging Instructions for the NPLH application submission:

- (1) Use three-ring binders appropriate to the size/thickness of the Universal Application and the Supplemental Application when submitting the application package to the Department.
- (2) Use labeled tabs to separate each section and individual documents, according to the Application Checklist below.
- (3) Use the tab file name descriptions and file structure below for the binder tab numbers, electronic folder and file name.

Binder Tab #	Initial Threshold Requirement	Electronic File Name	Document Description	Included?
1	X	Checklist	Attachment Checklist	
2	X	Universal Application	Completed Universal Application	
3	X	Supplemental Application	Completed Supplemental Application	
County Applicant Organizational Documents - Housing Authority for the City of Fresno, CA				
4	X	App Cert & Legal Disclosure	Reference Certification & Legal Disclosure	
5	X	App Resolution	Reference NPLH webpage for Competitive Resolution document	
6	X	App Noncomp Reso	NPLH Noncompetitive Resolution (if applicable)	
7	X	App Noncomp Allocation	Applicant Noncompetitive Allocation (if applicable)	
8	X	App Signature Block	Signature Block - upload in Microsoft Word document	
9	X	App TIN	Reference Taxpayer Identification Number (TIN) documents on the NPLH webpage	


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Initial Threshold Review

Name	Date modified	Type	Size
1. Checklist	10/4/2019 9:20 AM	Adobe Acrobat D...	77 KB
2. Universal Application	10/4/2019 9:20 AM	Adobe Acrobat D...	81 KB
3. Supplemental Application	10/4/2019 9:21 AM	Adobe Acrobat D...	79 KB
4. App Cert & Legal Disclosure	10/4/2019 9:21 AM	Adobe Acrobat D...	81 KB
5. App Resolution	10/4/2019 9:22 AM	Adobe Acrobat D...	78 KB
6. App Noncomp Reso	10/4/2019 9:23 AM	Adobe Acrobat D...	76 KB
7. App Noncomp Allocation	10/4/2019 9:24 AM	Adobe Acrobat D...	82 KB
8. App Signature Block	10/4/2019 9:25 AM	Adobe Acrobat D...	72 KB
9. App Tin	10/4/2019 9:25 AM	Adobe Acrobat D...	72 KB

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Initial Threshold Review



AP13

A

B

C

D

E

F

G

H

I

J

K

L

M

N

O

P

Q

R

S

T

U

HCD	
HOME Funds	
HOME Activity Amount	\$0
HOME Admin. Amount	\$0
HOME Activity Delivery	\$0
NPLH - No Place Like Home	



Initial Threshold Review

What's Next?

- Threshold Letters (pass/fail)
- Appeals
- Rating and Ranking



Questions




Aaron New

Rating & Ranking

NPLH Guideline Section 205





Competitive Allocation Application Review

- ✓ Initial Threshold
- ✓ Rating & Ranking
- ✓ Project Feasibility



Category	Points
Evidence Based Practices	10
% of Restricted Units	10
Funding Leverage	20
Subsidy Leverage	35
Readiness	50
Supportive Services	20

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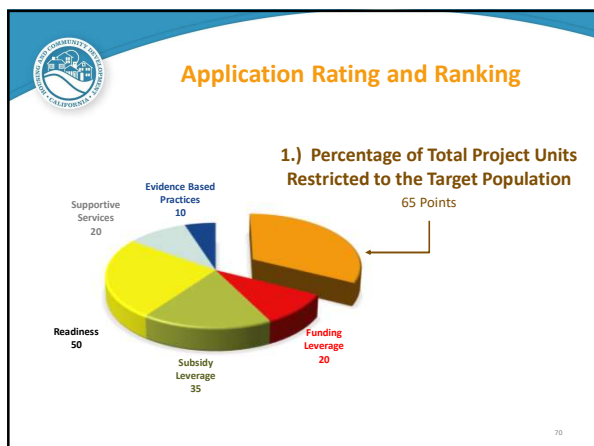


Application Rating and Ranking

Rating Category	Maximum Points	Summary
1.) Percentage of Total Project Units Restricted to the Target Population	65	Percentage of total Project units restricted as NPLH Units, and use of CES, or use of an alternate system to refer persons At-Risk of Chronic Homelessness to NPLH units
2.) Leverage of Development Funding	20	Ratio of the capital (non-CDBG) portion of the NPLH loan to other sources of committed development funding attributable to the NPLH Units. Noncompetitive Allocation funds may count as leveraged funds
3.) Leverage of Rental or Operating Subsidies	35	Percentage of NPLH Units that have committed non-HCD project-based or sponsor-based subsidies with terms substantially similar to that of other project-based rental or operating assistance
4.) Readiness to Proceed	50	Percentage of total construction and permanent financing committed; completion of Phase (I) Environmental Site Assessment and environmental clearances; obtaining all necessary local approvals
5.) Extent of On-Site and Off-Site Supportive Services	20	Points awarded for case management provided on-site at the Project, use of evidence-based practices to assist NPLH tenants to retain their housing; offering more services than required; and implementing resident involvement strategies
6.) Past History of Evidence Based Practices	10	Points awarded for development team prior experience implementing evidence-based practices that have led to a reduction in homelessness or other related use of evidenced-based practices to serve special needs populations

Total available points shall equal 200

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Application Rating and Ranking

1.) Percentage of Total Project Units Restricted to the Target Population
65 points maximum

A. Projects will receive up to a maximum of 30 points as follows for up to 30 percent of their total Project Units restricted to the Target Population as Assisted Units.

Percentage of Projects Units that are Assisted Units	Point Score
5 - 9.9%	8
10 - 14.9%	13
15 - 19.9%	18
20 - 24.9%	23
25 - 29.9%	28
30% and above	30

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Application Rating and Ranking

1.) Percentage of Total Project Units Restricted to the Target Population
65 points maximum

B. Projects will receive 35 points if the Applicant commits to do either of the following for the term of the Department's loan:

Commit to use a Coordinated Entry System (CES)

- or -

Commit to use a separate alternate system

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Application Rating and Ranking

2.) Leverage of Development Funding

20 points maximum

Applications will be scored based on the ratio of

permanent development funding attributable to NPLH Assisted Units from sources other than the Competitive Allocation

to the requested capital portion of the Program amount provided under the Competitive Allocation, not including any capitalized operating reserves.

perm dev funding ÷ requested capital portion = leverage of dev funding %




Application Rating and Ranking

2.) Leverage of Development Funding

20 points maximum

- To be counted, all sources of leverage must have an Enforceable Funding Commitment (EFC), unless otherwise specified.
- Other Department program funds must be awarded prior to finalizing the preliminary scoring of the NPLH application.
- Tax-exempt bond and 4 percent low income housing tax credit amounts will be based on the estimate of syndication proceeds.
- Deferred developer fees and funds deposited in a reserve to defray operating deficits will NOT be counted in this computation.
- Land donated or leased at a below market cost will be counted where the value is established by an appraisal.



Application Rating and Ranking

2.) Leverage of Development Funding

20 points maximum

- Noncompetitive Allocations dedicated to the Project will be counted in this computation if the requirements of Section 201(b) have been met.
 - To dedicate the noncompetitive allocation to a Project:
 - The county must have submitted the **County Acceptance Form** and required attachments no later than August 15th, 2019.
 - Include the noncompetitive amount on the UA Development sources page.
 - Include amount on NPLH Project Supplement, Loan Amount, and Unit mix page (line 29).



Application Rating and Ranking

2.) Leverage of Development Funding

20 points maximum

Projects utilizing 9 percent low-income housing tax credits:

- ✓ 0.08 points will be awarded for each percentage point of leveraged funds

Other Projects:

- ✓ 0.13 points will be awarded for each percentage point of leveraged funds
- ✓ up to 20 points maximum.

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Application Rating and Ranking

Maximum NPLH Loan Amount and Unit Mix														Rev. 3/2019
Project Tax Credits Applied For? (Must make selection)														
A. Loan Amount Requested for NPLH Competitive NOFA														\$6,827,318
B. COSR (From UA, NPLH COSR Calculation worksheet)														\$1,808,000
C. Shared-Cost Calculations (\$900k)														
1. Total residential development cost (from the UA - Dev Budget worksheet, cell C115)														\$48,000,000
2a. Gross square footage of all residential units (from the UA - Dev Budget worksheet, cell C116)														24,000
2b. Gross square footage of all commercial units (from the UA - Dev Budget worksheet, cell C117)														0
2c. Total residential square footage (2a + 2b)														24,000
3. Assessed ground, % of costs based on square feet (2c / 2a)														30.00%
NPLH Maximum Loan Amount														\$6,827,318
D. Maximum capital loan amount per NPLH (\$50,000,000 max COSR from B above)														\$17,500,000
E. Maximum capital loan amount per Shared Cost Calculation (from C above)														\$1,808,000
F. Maximum capital loan amount (E or D, whichever is less)														\$1,808,000
G. Maximum competitive capital loan amount (from F above)														\$1,808,000
H. Maximum competitive capital loan amount requested for this project														\$1,808,000
I. Competitive capital loan amount requested for this project														\$1,808,000
J. Competitive capital loan amount requested for this project														\$1,808,000
K. Minimum Loan Amount = Competitive Capital Loan + COSR (J + F = K)														\$3,616,318

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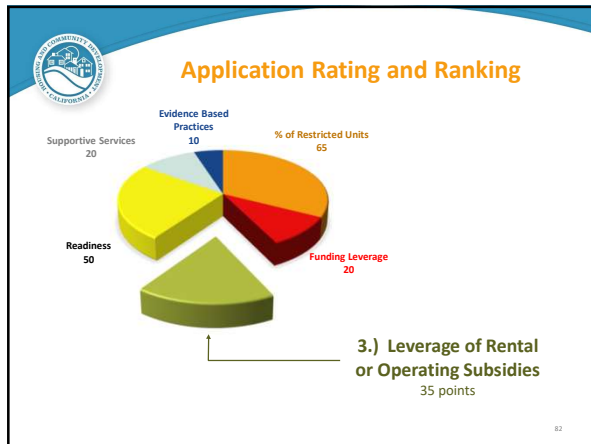
Application Rating and Ranking

Leverage of Development Funding (\$200k) - 20 Points Max

Applications will be scored based on the ratio of permanent development funding attributable to NPLH-Assisted Units from sources other than the Competitive Allocation to the requested capital portion of the Program amount provided under the Competitive Allocation, not including any capitalized operating reserves. To be counted, all sources of leverage must have an Enforceable Funding Commitment, except as otherwise provided in 200 (a). In addition, deferred developer fee and funds deposited in a reserve to defray scheduled operating deficits will not be counted in this computation. Land donations will be counted, where the value is established by a current appraisal. Contingencies in committed documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as an Enforceable Funding Commitment.

1. Total residential development cost (Loan Amount & Unit Mix worksheet, cell A114)	\$48,000,000	
2. Less: Deferred Developer Fee (UA Dev Sources worksheet)	\$750,000	
3. Less: Land Donations where value is not established by current appraisal (UA Dev Sources worksheet)	\$90,000	⇒ Must attach land appraisal if including a land donation as part of leverage calculation
4. Less: Financing not committed (UA Dev Sources - Permanent Sources of Funds)	\$500,000	
5. Eligible residential development costs (1 minus 2 minus 3 minus 4)	\$43,738,000	
6. Percentage of Total Development Cost attributed to NPLH-Assisted Units (Loan Amount & Unit Mix worksheet, cell T20)	30.00%	
7. Funding Attributable to NPLH-Assisted Units (5 times 6)	\$13,120,800	
8. Less: NPLH maximum Competitive Allocation capital loan amount (Loan Amount & Unit Mix worksheet, cell A28)	\$5,827,318	
9. Other Development Funds (All other funds except NPLH Competitive Allocation funds) attributable to NPLH-Assisted Units (7 minus 8)	\$7,293,482	128.16% ⇒ Other development funds as a % of NPLH Competitive Allocation capital funds (8 divided by 7)
10. Is this Project applying for or receiving 9% Tax Credits? (Loan Amount & Unit Mix worksheet, cell Q)	No	
File Name: <u>Appraisal</u>	Attach current appraisal if including a land donation as part of leverage calculation	Attached and on USB? Yes
For Projects not utilizing 9% competitive low-income housing tax credits, approximately 0.13 points will be awarded for each percentage point of leveraged funds. For example, an Application proposing other development funds equal to 100% of the NPLH capital portion of the loan will receive 13 points, and an Application where other funds equal 150% of the NPLH capital portion of the loan will receive 20 points.		
Total Points - (20 points max)	16	

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Application Rating and Ranking

3.) Leverage of Rental or Operating Subsidies
35 points maximum

Applications will be scored based on

the percentage of NPLH Assisted Units that have

Enforceable Funding Commitments for operating assistance or for rental subsidies.

✓ 1.75 points will be awarded for each five-percentage increment of committed assistance up to a maximum of 35 points.

Application Rating and Ranking

3.) Leverage of Rental or Operating Subsidies
35 points maximum

- Rental assistance must be substantially similar in terms to Project-based or sponsor-based housing choice vouchers, including but not limited to:
 - Section 8 housing choice vouchers
 - VASH vouchers
 - Family Unification Program vouchers
 - Continuum of Care Supportive Housing rental subsidy
 - Locally funded rental assistance



Application Rating and Ranking

3.) Leverage of Rental or Operating Subsidies

35 points maximum

- Enforceable Funding Commitments that will count toward this rating factor include, but are not limited to:

- Award letter
- Reservation of Funds
- Commitment letter
- Contract



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Application Rating and Ranking

Unit Mix														
Assisted Unit §101(a) – “Assisted Unit” or “NPLH Assisted Unit” means a residential housing unit that is subject to the Rent, occupancy and other restrictions specified in these Guidelines as a result of the financial assistance provided under the Program. §200(a) Use of multiple Department Funding Sources on the same Assisted Units (unitary stacking) is prohibited except as provided under 200 (a) (2) in addition to the exceptions to the stacking rule provided in 200 (a) (2), the stacking of Department capital with other Department assistance specifically designated for capitalized operating reserves or rental assistance is also permitted.														
A	B	C	D	E	F	G	H	I	J	K	L	M	N	
				10.0%	15.0%	5.0%	30.0%							
				33.3%	50.0%	16.7%	100.0%							
NPLH Assisted Units														
	Number of Units	Number of Bedrooms	Restricted % of Area Median Income	Manager Units	Chronically Homeless (CH)	At-Risk of CH	Total NPLH Assisted Units	Number of NPLH Units with Operating Subsidy	Number of NPLH Units with Rental Subsidy	Number of Other Department Sources Available Units	Other Department Rental Housing Capital Sources (not in §100(a)(1))	Total Restricted Units	Total Unrestricted Units	
30	1	30% AMI	10	15	5	30	30	15	45	VHP	30	0		
45	1	40% AMI				0					45	0		
24	1	50% AMI				0					24	0		
1	2		1			0					1	0		
100			1	10	15	5	30	30	15	45	99	1		
File Name:		Utility Allowance		Documentation from the local housing authority substantiating the amount of the Utility Allowance used								Attached and on USB?		Yes

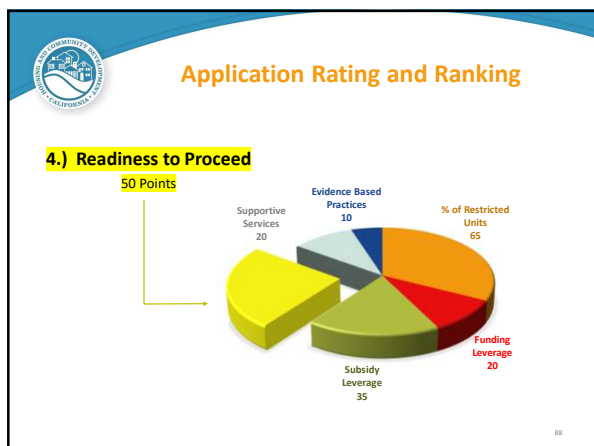
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Application Rating and Ranking

Leverage of Rental or Operating Subsidies §206(c) - 35 Points Max									
Applications will be scored based on the percentage of NPLH Assisted Units that have Enforceable Funding Commitments for operating assistance, or for Project-based or Sponsor-based rental subsidies with commitment terms substantially similar in terms to project-based housing choice vouchers. 1.75 points will be awarded for each five-percentage increment of committed assistance up to a maximum of 35 points. The assistance must meet the requirements of an Enforceable Funding Commitment, and it must be allocated to the Project or to an affiliated rental-assistance sponsor, or the Department must approve other evidence that the assistance will reliably be available. Contingencies in commitment documents based upon the receipt of tax-exempt bonds or low-income housing tax credits will not disqualify a source from being counted as an Enforceable Funding Commitment.									
Total Number of NPLH Assisted Units (Loan Amount & Unit Mix worksheet)								A	30
B	C	D	E	F	G	H			
Operating assistance, Project-based rental subsidy, Sponsor-based rental subsidy Source	Number of Subsidized NPLH Assisted Units	AMI Level of Units	% Of Total (C divided by A)	Scoring Increment Factor			Points 1.75 x G		
Section 8 housing choice vouchers	15	30% AMI							
Locally Funded Non-HCD Operating Subsidy	15	30% AMI	100%	5%	20		35.00		
Number of Rental or Operating Subsidy Sources		2	Totals		30				
File Name:	Subsidy (followed by source name)	Commitment Letter or other documentation that the leverage source will be readily available					Attached and on USB?		
							Yes		
							Total Points - (35 points max)		
							35.00		

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Application Rating and Ranking

4.) Readiness to Proceed
50 points maximum

Points will be awarded for each of the following 4 categories:

1. Construction Financing

Obtaining **Enforceable Funding Commitments** for all needed construction financing.

- ✓ Projects utilizing 9 percent low-income housing tax credits (and 4% hybrid Projects) may receive up to **5 points** for this rating factor.
- ✓ All other projects may receive up to **10 points** for this rating factor.

Application Rating and Ranking

4.) Readiness to Proceed
50 points maximum

2. Permanent Financing, Grants, & Subsidies

Obtaining **Enforceable Funding Commitments** for all needed permanent financing, grants, and subsidies.

- ✓ Projects utilizing 9 percent low-income housing tax credits (and 4% hybrid Projects) may receive up to **5 points** for this rating factor.
- ✓ All other projects may receive up to **15 points** for this rating factor.



50 points maximum

California Environmental Quality Act (CEQA)

National Environmental Policy Act (NEPA),
if necessary

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[illegible]

50 points maximum

Obtaining all necessary and discretionary public land use approvals

Submitted application for approval under a nondiscretionary local approval process

92

91

94



20 points





imum

- ✓ Projects receive **5 points** for this category.



Application Rating and Ranking

5.) Extent of On-Site and Off-Site Supportive Services
20 points maximum

2. Implementing evidence-based practices:

- Critical time intervention
- Trauma-informed care
- Motivational interviewing
- Other practices
- Assertive community treatment
- Cognitive behavioral therapy
- Voluntary "moving-on" strategies

✓ One point will be awarded for each evidence-based or other recognized practice to be implemented, (up to 5 points).

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Application Rating and Ranking

5.) Extent of On-Site and Off-Site Supportive Services
20 points maximum

3. Offering encouraged services listed under Section 203(d).

- Services for persons with co-occurring mental and physical disabilities
- Recreational and social activities
- Educational services
- Employment services
- Other needed services, such as civil legal services, or access to food and clothing

✓ Two points will be awarded for each category of services (up to 8 points).

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Application Rating and Ranking

5.) Extent of On-Site and Off-Site Supportive Services
20 points maximum

4. Resident involvement

✓ Projects receive up to 2 points for this rating factor.

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Application Rating and Ranking

6.) Past History of Evidence Based Practices

10 points maximum

Examples of evidence-based practices include, but are not limited to:

- Critical time Intervention or assertive community treatment model
- Cognitive behavioral therapy
- Trauma-informed care
- Motivational interviewing and other tools to encourage engagement in services
- Other practices recognized as evidence-based by SAMHSA, DHCS, HUD, or other federal or State public agency.

✓ Two points will be awarded for each category of evidence-based practices documented (up to 10 points).

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Application Rating and Ranking

Lead Service Provider's Past Experience with Evidence Based Practices		Rev. 08/2016
Provide a description of the Lead Service Provider's past experience with Evidence Based Practices below.		
Project Applicant	Housing Authority for the City of Fresno, CA	
Lead Service Provider		
Project Name		
Project Address/Zip		
Project City		
Project County	Fresno	
Does LSP have experience with critical time intervention or assertive community treatment model?	Yes	
If Yes, describe LSP's experience.		
Description		
Does LSP have experience with cognitive behavioral therapy?	Yes	
If Yes, describe LSP's experience.		
Description		
Does LSP have experience with trauma-informed care?	Yes	
If Yes, describe LSP's experience.		
Description		
Does LSP have experience with motivational interviewing and other tools to encourage engagement in services?	Yes	
If Yes, describe LSP's experience.		
Description		
Does LSP have experience with other practices recognized as evidence-based by SAMHSA, DHCS, HUD, or other federal or state public agency?	Yes	
If Yes, describe LSP's experience.		
Description		


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Application Rating and Ranking

Past History of Evidence Based Practices \$200k - 10 Points Max					
Up to 10 points will be awarded to Projects where the Lead Service Provider, which may be the County behavioral health department or its equivalent County department, or another entity that has contracted with the County to be the Lead Service Provider, can document past experience with implementing evidence-based best practices that have led to a reduction in the number of Chronically Homeless or At-Risk of Chronic Homelessness individuals within the Target Population. Similar experience with evidence-based practices for other special needs populations can also be included if this experience can be shown to be relevant to serving the Target Population. Examples of evidence-based practices include the items below. To receive points under this rating factor, all such experience provided must be verified in the manner set forth in the application. (Complete LSP Exp. with EBP worksheet).					
		Number of Past Practices		5 10	
(1) Critical time intervention or assertive community treatment model	Yes	(2) Cognitive behavioral therapy	Yes	(3) Trauma-informed care	Yes
(4) Motivational interviewing	Yes	(5) Enter Other practices*	Yes		

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Application Rating and Ranking

Bonus Points (2 points)

Bronzan-McCorquodale

Projects located in the **City of Berkeley** may receive a total of 2 Bonus Points if the application is submitted by **Alameda County** rather than by the **City of Berkeley**.



Application Rating and Ranking

What's Next?


- Scoring Letters
- Appeals
- Feasibility Review





Questions






Shalawn Garcia

Project Feasibility

UMR 2017 Section 8300






Competitive Allocation Application Review


- ✓ Initial Threshold
- ✓ Rating & Ranking
- ✓ **Project Feasibility**





Underwriting Feasibility


- 1) Source of Funds
- 2) Unit Mix
- 3) Development Budget
- 4) Operating Budget
- 5) Cash Flow




Underwriting Feasibility

1) Sources and Use of Funds

- Variable loans (UMR § 8310)
- Balloon loans (UMR § 8310)
- Sandwich loans (UMR § 8315)
- Max loan amount = \$20,000,000
- Other HCD sources (CHRP ...transactions unit)




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Underwriting Feasibility

2) Unit Mix

- Target Population
- AMI levels – no more than 30%
- Unit Standards
 - Restricted units shall NOT be segregated



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Underwriting Feasibility

3) Development Budget

- Commercial Space
- High Cost analysis (UMR § 8311)
- Operating Reserves
- Transition Reserve
- Developer Fee (UMR § 8312)




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Underwriting Feasibility

4) Operating Budget

- Employee Information
- Other Operating Subsidies
- Replacement Reserves (UMR § 8309)
- HCD 0.42 Monitoring Fee
- Asset Management Fees (UMR § 8314)




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Underwriting Feasibility

5) Cash Flow

- Debt service coverage ratio
- Vacancy Rate
 - 5% for Residential
 - 50% for Commercial
- Restricted and Proposed Rents
- HCD Capital Operating Subsidy Reserve (COSR)



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Underwriting Feasibility

INCOME FROM HOUSING UNITS	Project Amount	Preparation	Initiation	Year 1	Year 2
48 NPLH CASH FLOW					
49 NPLH Cash Flow				0	0
50 NPLH Asset Mgmt/Similar Fees - unpaid				0	0
51 NPLH - COSR DISTRIBUTIONS (5% max per year)				0	0
52 COSR Institutions contribute				0	0
53 Cash Flow with COSR distribution				0	0
54 Asset Mgmt/Similar Fees paid by NPLH				0	0
55 Cash Flow after Asset Mgmt/Similar Fees				0	0

INCOME FROM HOUSING UNITS Inflation	Year 1	Year 2
75 NPLH COSR ANALYSIS - if applicable		
76 Net Operating Income	0	0
77 Cash Flow after all debt service	0	0
78 NPLH COSR Draw (or other)	0	0
79 Cash Flow after NPLH COSR	0	0
80 Net Operating Income after NPLH COSR	0	0
81 DSCR with NPLH COSR	0.00	0.00

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What's Next?

1. Project Reports prepared
2. Presented to Internal Loan Committee
3. Final Project Reports prepared
4. Award letters will be sent
5. Standard Agreements Issued
6. Hand project off to Loan Closing Section

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Resources

NPLH Website:
<http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml>

Universal Application used by HCD:
<http://www.hcd.ca.gov/grants-funding/active-funding/docs/UAHCD.xism>

NPLH Supplemental Project Application:
http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/NPLH_Supplemental_Application.xism


2019 NPLH NOFA Round 2:
<http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/Round-2-Competitive-Allocation-NOFA.pdf>

2019 NPLH Guidelines:
<http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/Round-2-No-Place-Like-Home-Program-Guidelines.pdf>


2017 Uniform Multifamily Regulations (UMR's):
<http://www.hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations/docs/Uniform-Multifamily-Regulations-2017.pdf>

2019 TCAC Regulations:
<https://www.treasurer.ca.gov/ctcac/programreg/2019/20190227/regulations-clean.pdf>

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- 2020 West El Camino Avenue
- Sacramento, CA. 95833



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